

COMPANY REGISTRATION NUMBER 03625708

LUCKETTS HOLDINGS LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st AUGUST 2011

WEDNESDAY



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A24 28/03/2012 #430
COMPANIES HOUSE

taylorcocks | ACCOUNTANTS & TAX

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Cosham
Portsmouth
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LUCKETTS HOLDINGS LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31st AUGUST 2011

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LUCKETTS HOLDINGS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr D F Lockett
Mr I M Lockett
Mr S D. Lockett

Company secretary

Mr I M Lockett

Registered office

Broadcut
Wallington
Fareham
Hampshire
PO16 8TB

Auditor

taylorcocks
Chartered Accountants
& Statutory Auditor
3 Acorn Business Centre
Northarbour Road
Cosham
Portsmouth
PO6 3TH

LUCKETTS HOLDINGS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31st AUGUST 2011

The directors have pleasure in presenting their report and the consolidated financial statements of the group for the year ended 31st August 2011

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of a holding and property investment company. The principal activity of the group was that of coach travel operator and tour operator.

The business has continued to develop well and has not faced any unusual risks or uncertainties in the year. The financial results of the group can be seen within the attached accounts. Given the straightforward nature of the business and the detailed information contained within these accounts, the group's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the entity.

FUTURE DEVELOPMENTS

There have been no important events since the year end to be reported. The group's performance to date is consistent with expectations that 2012 will be another successful year.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £700,619. Particulars of dividends paid are detailed in note 10 to the consolidated financial statements.

FINANCIAL INSTRUMENTS

Details of the group's financial risk management objectives and policies are included in note 20 to the accounts.

DIRECTORS

The directors who served the company during the year were as follows:

Mr D F Lockett
Mr I M Lockett
Mr S D Lockett

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare consolidated financial statements for each financial year. Under that law the directors have elected to prepare the consolidated financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. In preparing those consolidated financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the consolidated financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LUCKETTS HOLDINGS LIMITED

THE DIRECTORS' REPORT *(continued)*

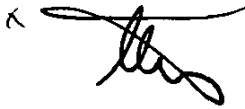
YEAR ENDED 31st AUGUST 2011

In so far as the directors are aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Registered office
Broadcut
Wallington
Fareham
Hampshire
PO16 8TB

Signed by order of the directors



MRI M LUCKETT
Company Secretary

Approved by the directors on 23/3/12

LUCKETTS HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LUCKETTS HOLDINGS LIMITED

YEAR ENDED 31st AUGUST 2011

We have audited the group and parent company consolidated financial statements ("the consolidated financial statements") of Locketts Holdings Limited for the year ended 31st August 2011. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 3, the directors are responsible for the preparation of the consolidated financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the consolidated financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the consolidated financial statements sufficient to give reasonable assurance that the consolidated financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the consolidated financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited consolidated financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON CONSOLIDATED FINANCIAL STATEMENTS

In our opinion the consolidated financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31st August 2011 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements.

LUCKETTS HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LUCKETTS HOLDINGS LIMITED *(continued)*

YEAR ENDED 31st AUGUST 2011

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company consolidated financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

JAMES BLAKE (Senior Statutory Auditor)

For and on behalf of

taylorcocks | Chartered Accountants
2 Statutory Auditors

Office Portsmouth

Date 23/3/2012

LUCKETTS HOLDINGS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31st AUGUST 2011

	Note	2011 £	2010 £
GROUP TURNOVER	2	12,821,245	12,048,331
Cost of sales		<u>9,585,261</u>	<u>9,043,519</u>
GROSS PROFIT		3,235,984	3,004,812
Administrative expenses		2,266,558	2,022,588
Other operating income		(250)	(1,455)
OPERATING PROFIT	3	969,676	983,679
Income from fixed asset investments	6	601	212
Interest receivable		-	1
Interest payable and similar charges	7	(111,046)	(175,948)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		859,231	807,944
Tax on profit on ordinary activities	8	158,612	510,162
PROFIT FOR THE FINANCIAL YEAR	9	<u>700,619</u>	<u>297,782</u>

All of the activities of the group are classed as continuing

The group has no recognised gains or losses other than the results for the year as set out above

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account

The notes on pages 10 to 21 form part of these consolidated financial statements.

LUCKETTS HOLDINGS LIMITED

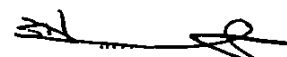
GROUP BALANCE SHEET

31st AUGUST 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Intangible assets	11	33,750	41,250
Tangible assets	12	8,770,727	8,654,351
		<u>8,804,477</u>	<u>8,695,601</u>
CURRENT ASSETS			
Stocks	14	174,759	133,409
Debtors	15	1,172,476	1,166,779
Cash at bank and in hand		396,713	303,233
		<u>1,743,948</u>	<u>1,603,421</u>
CREDITORS: Amounts falling due within one year	16	<u>2,848,930</u>	<u>3,784,502</u>
NET CURRENT LIABILITIES		<u>(1,104,982)</u>	<u>(2,181,081)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,699,495</u>	<u>6,514,520</u>
CREDITORS: Amounts falling due after more than one year	17	3,928,654	3,185,408
PROVISIONS FOR LIABILITIES			
Deferred taxation	19	998,292	1,077,182
		<u>2,772,549</u>	<u>2,251,930</u>
CAPITAL AND RESERVES			
Called-up equity share capital	23	10,000	10,000
Profit and loss account	24	2,762,549	2,241,930
SHAREHOLDERS' FUNDS	25	<u>2,772,549</u>	<u>2,251,930</u>

These consolidated financial statements were approved by the directors and authorised for issue on 25/3/12 and are signed on their behalf by:


MR I M LUCKETT


MR S D LUCKETT

The notes on pages 10 to 21 form part of these consolidated financial statements.

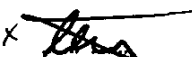
LUCKETTS HOLDINGS LIMITED

BALANCE SHEET

31st AUGUST 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Tangible assets	12	1,679,121	1,697,622
Investments	13	1,215,547	1,215,547
		<u>2,894,668</u>	<u>2,913,169</u>
CURRENT ASSETS			
Debtors	15	34,187	45,508
Cash at bank		149,095	-
		<u>183,282</u>	<u>45,508</u>
CREDITORS: Amounts falling due within one year	16	<u>1,594,581</u>	<u>2,018,037</u>
NET CURRENT LIABILITIES		<u>(1,411,299)</u>	<u>(1,972,529)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,483,369</u>	<u>940,640</u>
CREDITORS: Amounts falling due after more than one year	17	697,765	299,758
PROVISIONS FOR LIABILITIES			
Deferred taxation	19	32,440	27,129
		<u>753,164</u>	<u>613,753</u>
CAPITAL AND RESERVES			
Called-up equity share capital	23	10,000	10,000
Profit and loss account	24	743,164	603,753
SHAREHOLDERS' FUNDS		<u>753,164</u>	<u>613,753</u>

These consolidated financial statements were approved by the directors and authorised for issue on 23/3/12 and are signed on their behalf by

X 
MR I M LUCKETT

X 
MR S D LUCKETT

Company Registration Number 03625708

The notes on pages 10 to 21 form part of these consolidated financial statements

LUCKETTS HOLDINGS LIMITED
GROUP CASH FLOW STATEMENT
YEAR ENDED 31st AUGUST 2011

	Note	2011 £	£	2010 £	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	26		1,720,115		2,016,820
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	26		(110,445)		(175,735)
TAXATION	26		(179,590)		(192,753)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	26		194,000		(632,227)
EQUITY DIVIDENDS PAID			(180,000)		(180,000)
CASH INFLOW BEFORE FINANCING			<u>1,444,080</u>		<u>836,105</u>
FINANCING	26		(1,350,600)		(820,358)
INCREASE IN CASH	26		<u>93,480</u>		<u>15,747</u>

The notes on pages 10 to 21 form part of these consolidated financial statements.

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2011

1 ACCOUNTING POLICIES

Basis of accounting

The consolidated financial statements have been prepared under the historical cost convention

Basis of consolidation

The consolidated financial statements incorporate the consolidated financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over ten years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group consolidated financial statements by virtue of section 408 of the Companies Act 2006.

Turnover

Turnover represents income from coach hire, maintenance services and tour operations provided during the year, excluding value added tax. Turnover is recognised on the departure date of completed tours, contract hire, or in respect of services provided under contractual arrangements turnover is recognised as a proportion of total services to be provided.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10% straight line

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 2% straight line
Plant & Machinery	- 10-20% reducing balance
Fixtures & Fittings	- 20-50% reducing balance
Motor Vehicles	- 10-25% reducing balance
Equipment	- 50% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2011

1. ACCOUNTING POLICIES *(continued)*

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Investments

In the company balance sheet, for fixed asset investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value only of the shares issued. Any premium is ignored.

Current asset investments are stated at the lower of cost and net realisable value.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below.

	2011 £	2010 £
United Kingdom	<u>12,821,245</u>	<u>12,048,331</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2011

3 OPERATING PROFIT

Operating profit is stated after charging

	2011 £	2010 £
Amortisation of intangible assets	7,500	7,500
Depreciation of owned fixed assets	234,696	170,205
Depreciation of assets held under hire purchase agreements	696,028	735,926
Loss on disposal of fixed assets	32,900	-
Auditor's remuneration		
- in respect of the audit of the parent company	2,500	2,500
- in respect of the audit of the subsidiary companies	14,500	14,500
- in respect of accountancy services	7,275	13,618
- in respect of taxation services	6,000	6,000
Net loss on foreign currency translation	-	112

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to

	2011 No	2010 No
Number of administrative staff	19	19
Number of management staff	6	8
Number of operations staff	7	6
Number of coach drivers	133	118
Number of workshop staff	9	10
	<u>174</u>	<u>161</u>

The aggregate payroll costs of the above were

	2011 £	2010 £
Wages and salaries	3,461,076	3,204,331
Social security costs	313,053	288,980
Other pension costs	120,714	102,571
	<u>3,894,843</u>	<u>3,595,882</u>

5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2011 £	2010 £
Remuneration receivable	80,775	60,599
Value of company pension contributions to money purchase schemes	95,467	90,000
	<u>176,242</u>	<u>150,599</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2011

5 DIRECTORS' REMUNERATION *(continued)*

The number of directors who accrued benefits under company pension schemes was as follows

	2011 No	2010 No
Money purchase schemes	<u>2</u>	<u>2</u>

6 INCOME FROM CURRENT ASSET INVESTMENTS

	2011 £	2010 £
Income from current asset investments	<u>601</u>	<u>212</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Interest payable on bank borrowing	30,722	42,143
Finance charges	74,570	127,007
Other similar charges payable	5,754	6,798
	<u>111,046</u>	<u>175,948</u>

8 TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2011 £	2010 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 27 17% (2010 - 28%)	237,502	179,588
Under provision in prior year	-	142,734
Total current tax	<u>237,502</u>	<u>322,322</u>
Deferred tax		
Origination and reversal of timing differences (note 19)		
Capital allowances	(4,595)	34,529
Effect of changed tax rate on opening balance	(74,295)	260,663
Over provision in prior year	-	(107,352)
Total deferred tax (note 19)	<u>(78,890)</u>	<u>187,840</u>
Tax on profit on ordinary activities	<u>158,612</u>	<u>510,162</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2011

8. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 27 17% (2010 - 28%)

	2011 £	2010 £
Profit on ordinary activities before taxation	<u>859,231</u>	<u>807,944</u>
Profit on ordinary activities by rate of tax	233,453	226,224
Depreciation in excess of capital allowances	2,396	(39,156)
Expenses not deductible for tax purposes	6,406	1,395
Marginal rate relief	(4,753)	(8,875)
Under provision in prior year	-	142,734
Total current tax (note 8(a))	<u>237,502</u>	<u>322,322</u>

9 PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the consolidated financial statements of the parent company was £319,411 (2010 - £258,756)

10. DIVIDENDS

Equity dividends

	2011 £	2010 £
Paid		
Equity dividends on ordinary shares	<u>180,000</u>	<u>180,000</u>

11 INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1st September 2010 and 31st August 2011	<u>75,000</u>
AMORTISATION	
At 1st September 2010	33,750
Charge for the year	7,500
At 31st August 2011	<u>41,250</u>
NET BOOK VALUE	
At 31st August 2011	<u>33,750</u>
At 31st August 2010	<u>41,250</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2011

12 TANGIBLE FIXED ASSETS

Group	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
COST						
At 1 Sep 2010	1,903,992	353,991	182,762	10,526,100	98,099	13,064,944
Additions	-	-	-	1,274,000	-	1,274,000
Disposals	-	-	(8,132)	(375,700)	-	(383,832)
At 31 Aug 2011	1,903,992	353,991	174,630	11,424,400	98,099	13,955,112
DEPRECIATION						
At 1 Sep 2010	34,859	271,695	122,198	3,886,580	95,261	4,410,593
Charge for the year	15,417	20,560	12,050	881,520	1,177	930,724
On disposals	-	-	(6,943)	(149,989)	-	(156,932)
At 31 Aug 2011	50,276	292,255	127,305	4,618,111	96,438	5,184,385
NET BOOK VALUE						
At 31 Aug 2011	1,853,716	61,736	47,325	6,806,289	1,661	8,770,727
At 31 Aug 2010	1,869,133	82,296	60,564	6,639,520	2,838	8,654,351

Hire purchase agreements

Included within the net book value of £8,770,727 is £5,215,773 (2010 - £5,609,245) relating to assets held under hire purchase agreements. The depreciation charged to the consolidated financial statements in the year in respect of such assets amounted to £696,028 (2010 - £735,926)

Company	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Total £
COST				
At 1st September 2010	1,725,513	16,926	8,132	1,750,571
Disposals	-	-	(8,132)	(8,132)
At 31st August 2011	1,725,513	16,926	-	1,742,439
DEPRECIATION				
At 1st September 2010	34,859	11,350	6,740	52,949
Charge for the year	15,417	1,692	203	17,312
On disposals	-	-	(6,943)	(6,943)
At 31st August 2011	50,276	13,042	-	63,318
NET BOOK VALUE				
At 31st August 2011	1,675,237	3,884	-	1,679,121
At 31st August 2010	1,690,654	5,576	1,392	1,697,622

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2011

13 INVESTMENTS

Company	Group companies £
COST	
At 1st September 2010 and 31st August 2011	<u>1,215,547</u>
NET BOOK VALUE	
At 31st August 2011 and 31st August 2010	<u>1,215,547</u>

The company holds 100% of the issued Ordinary share capital in the following subsidiaries, all of which are incorporated in England

H Locketts & Co Limited	- Coach travel operator
Worthing Coaches Limited	- Coach travel operator
Locketts Travel Limited	- Tour operator
Coachman Limited	- Dormant
Locketts Services Limited	- Dormant

14. STOCKS

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Stock	<u>174,759</u>	<u>133,409</u>	<u>-</u>	<u>-</u>

15. DEBTORS

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	825,467	751,114	-	-
Amounts owed by group undertakings	-	-	4,076	10,684
VAT recoverable	94,611	55,366	-	4,774
Other debtors	10,627	11,128	9,020	9,020
Prepayments and accrued income	241,771	349,171	21,091	21,030
	<u>1,172,476</u>	<u>1,166,779</u>	<u>34,187</u>	<u>45,508</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2011

16. CREDITORS: Amounts falling due within one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts	143,332	674,935	97,998	666,582
Payments received on account	969,259	950,642	-	-
Trade creditors	482,447	559,061	19,282	60,091
Amounts owed to group undertakings	-	-	1,350,903	1,070,455
Hire purchase agreements	692,917	981,160	-	-
Directors' loan accounts	22,542	159,101	22,542	159,101
Corporation tax	237,501	179,589	91,212	41,828
PAYE and social security	91,281	79,960	-	-
VAT	-	-	487	-
Other creditors	25,131	24,022	-	-
Accruals and deferred income	184,520	176,032	12,157	19,980
	<u>2,848,930</u>	<u>3,784,502</u>	<u>1,594,581</u>	<u>2,018,037</u>

The bank loans and overdrafts are secured by charges over the freehold land and property of the group and a floating charge over the assets of the group. The hire purchase agreements are secured on the assets to which they relate.

17. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans	889,561	537,714	697,765	299,758
Hire purchase agreements	3,039,093	2,647,694	-	-
	<u>3,928,654</u>	<u>3,185,408</u>	<u>697,765</u>	<u>299,758</u>

The bank loans are secured by charges over the freehold land and property of the group and a floating charge over the assets of the group. The hire purchase agreements are secured on the assets to which they relate.

Of the amounts shown within bank loans as falling due greater than one year £430,929 is due greater than five years.

18. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Amounts payable within 1 year	692,917	981,160	-	-
Amounts payable between 2 to 5 years	3,039,093	2,647,694	-	-
	<u>3,732,010</u>	<u>3,628,854</u>	<u>-</u>	<u>-</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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19 DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Provision brought forward	1,077,182	889,342	27,129	-
(Decrease)/Increase in provision	(78,890)	187,840	5,311	27,129
Provision carried forward	<u>998,292</u>	<u>1,077,182</u>	<u>32,440</u>	<u>27,129</u>

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of

Group	2011		2010	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>998,292</u>	<u>-</u>	<u>1,077,182</u>	<u>-</u>

The company's provision for deferred taxation consists of the tax effect of timing differences in respect of

Company	2011		2010	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>32,440</u>	<u>-</u>	<u>27,129</u>	<u>-</u>

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments policy

It is the group's policy to minimise the cost of borrowings whilst retaining the flexibility of funding opportunities

Interest rate risk

The group's financial instruments have been entered into under a mixture of fixed and variable interest rates. The group's bank loans are wholly repayable by instalments at 2% - 2.75% over the bank's base rate, whilst the group's overdraft incurs interest at 1.7% above base

Currency risk

As at 31st August 2011 the group had no material currency exposures relating to trading activities. The group's financial instruments are materially denominated in sterling

Available facilities

The group operates an overdraft with other members of the group which provides for finance of up to £300,000

Fair value of financial assets and liabilities

An assessment of the fair value of the group's financial instruments held for financing purposes has been undertaken as at 31st August 2011. No material differences exist between book and fair value

LUCKETTS HOLDINGS LIMITED

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YEAR ENDED 31st AUGUST 2011

21. CONTINGENCIES

The company has provided guarantees in respect of the subsidiaries bank loans and overdrafts. No losses are anticipated as a result of these guarantees, which at 31st August 2011 totalled £646,668 (2010 - £964,266)

22. TRANSACTIONS WITH THE DIRECTORS

The directors maintain loan accounts with the group. At the year end the group owed the directors the following amounts: Mr D F Lockett £22,542 (2010 - £35,322), Mr S D Lockett £nil (2010 - £16,391) and Mr I M Lockett £nil (2010 - £107,388)

The directors received the following dividends from the company during the year

	2011 £	2010 £
Mr D F Lockett	60,000	60,000
Mr I M Lockett	60,000	60,000
Mr S D Lockett	60,000	60,000
	<u>180,000</u>	<u>180,000</u>

23. SHARE CAPITAL

Authorised share capital:

	2011 £	2010 £
94,000 Ordinary shares of £1 each	94,000	94,000
6,000 Preference shares of £1 each	6,000	6,000
	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
4,000 Ordinary shares of £1 each	4,000	4,000	4,000	4,000
6,000 Preference shares of £1 each	6,000	6,000	6,000	6,000
	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

24. RESERVES

Group	Profit and loss account £
Balance brought forward	2,241,930
Profit for the year	700,619
Equity dividends	(180,000)
Balance carried forward	<u>2,762,549</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2011

24. RESERVES (continued)

Company	Profit and loss account £
Balance brought forward	603,753
Profit for the year	319,411
Equity dividends	(180,000)
Balance carried forward	<u>743,164</u>

25. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Profit for the financial year	700,619	297,782
Equity dividends	(180,000)	(180,000)
Net addition to shareholders' funds	<u>520,619</u>	<u>117,782</u>
Opening shareholders' funds	2,251,930	2,134,148
Closing shareholders' funds	<u>2,772,549</u>	<u>2,251,930</u>

26. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM
OPERATING ACTIVITIES

	2011 £	2010 £
Operating profit	969,676	983,679
Amortisation	7,500	7,500
Depreciation	930,724	906,131
Loss on disposal of fixed assets	32,900	-
Increase in stocks	(41,350)	(40,964)
Increase in debtors	(5,697)	(136,146)
(Decrease)/increase in creditors	(173,638)	296,620
Net cash inflow from operating activities	<u>1,720,115</u>	<u>2,016,820</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2011 £	2010 £
Income from other fixed asset investments	601	212
Interest received	-	1
Interest paid	(36,476)	(48,941)
Interest element of hire purchase	(74,570)	(127,007)
Net cash outflow from returns on investments and servicing of finance	<u>(110,445)</u>	<u>(175,735)</u>

TAXATION

	2011 £	2010 £
Taxation	<u>(179,590)</u>	<u>(192,753)</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2011

26. NOTES TO THE CASH FLOW STATEMENT *(continued)*

CAPITAL EXPENDITURE

	2011 £	2010 £
Payments to acquire tangible fixed assets	–	(632,227)
Receipts from sale of fixed assets	194,000	–
Net cash inflow/(outflow) from capital expenditure	<u>194,000</u>	<u>(632,227)</u>

FINANCING

	2011 £	2010 £
New bank loans	–	520,000
Repayment of bank loans	(179,756)	(155,746)
Capital element of hire purchase	(1,170,844)	(1,184,612)
Net cash outflow from financing	<u>(1,350,600)</u>	<u>(820,358)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2011 £	2010 £
Increase in cash in the period	93,480	15,747
Net cash outflow from/(inflow) from bank loans	179,756	(364,254)
Cash outflow in respect of hire purchase	<u>1,170,844</u>	<u>1,184,612</u>
Change in net debt resulting from cash flows	1,444,080	836,105
New finance leases	(1,274,000)	(663,575)
Movement in net debt in the period	<u>170,080</u>	<u>172,530</u>
Net debt at 1 September 2010	(4,538,270)	(4,710,800)
Net debt at 31 August 2011	<u>(4,368,190)</u>	<u>(4,538,270)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sep 2010 £	Cash flows £	Other changes £	At 31 Aug 2011 £
Net cash				
Cash in hand and at bank	303,233	93,480	–	396,713
Debt				
Debt due within 1 year	(674,935)	531,603	–	(143,332)
Debt due after 1 year	(537,714)	(351,847)	–	(889,561)
Hire purchase agreements	(3,628,854)	1,170,844	(1,274,000)	(3,732,010)
	<u>(4,841,503)</u>	<u>1,350,600</u>	<u>(1,274,000)</u>	<u>(4,764,903)</u>
Net debt	<u>(4,538,270)</u>	<u>1,444,080</u>	<u>(1,274,000)</u>	<u>(4,368,190)</u>